



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT
FOR MALAYSIA ECONOMIC PERFORMANCE FOURTH QUARTER OF 2022

Malaysia's economy grew 7.0 percent in the fourth quarter, recorded annual growth of 8.7 per cent in 2022 highest since year 2000 (8.9%)

PUTRAJAYA, 10 February 2023 – Malaysia's GDP in the fourth quarter of 2022 expanded 7.0 per cent after recorded a double-digit growth of 14.2 per cent in the previous quarter. In terms of quarter-on-quarter seasonally adjusted, GDP decreased 2.6 per cent (Q3 2022: 1.9%). Correspondingly, the monthly economic performance has grown modestly in the fourth quarter with the growth of 7.0 per cent in October, followed by 5.7 per cent in November and accelerating further to 8.3 per cent in December 2022. In the meantime, economic performance for the fourth quarter of 2022 has surpassed the pre-pandemic level by 7.2 per cent. Overall, Malaysia's economic performance boosted to 8.7 per cent in 2022 as compared to 3.1 per cent in the previous year which is the highest annual growth recorded within the period of 22 years (2000: 8.9%). This is reported by the Department of Statistics Malaysia (DOSM) in today's released of **Gross Domestic Product (GDP) for the Fourth Quarter of 2022 and Malaysia's economic performance for the year 2022**.

According to the Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, "The economic performance in the fourth quarter of 2022 on the supply side was driven by all sectors, particularly the Services and Manufacturing sectors. On the demand side, all expenditure components experienced positive performance, dominated by household consumption and Gross fixed capital formation".

He added that, "In terms of sectoral performance, the **Services** sector was the main contributor to the Malaysia's economy and rose by 8.9 per cent (Q3 2022: 16.7%) in the fourth quarter of 2022. The favourable performance was attributed to the Wholesale & retail trade (9.8%), Transportation & storage (22.6%) and Food & beverage and accommodation (25.2%) sub-sectors. The strong expansion was also seen in the Business services (23.7%) and Real estate (34.0%) sub-sectors. On a quarter-on-quarter seasonally adjusted, the Services sector declined 2.6 per cent (Q3 2022: 1.3%)".

The **Manufacturing** sector grew moderately by 3.9 per cent (Q3 2022: 13.2%) in the fourth quarter of 2022 led by Electrical, electronic & optical products (9.2%) followed by Transport equipment, other manufacturing and repair (4.9%) and Vegetable & animal oils & fats and food processing products (4.3%). On the contrary, Textile, wearing apparel and leather products recorded marginal decrease of 0.3 per cent (Q3 2022: 12.4%). On a quarter-on-quarter seasonally adjusted, the overall Manufacturing sector declined 2.4 per cent (Q3 2022: 1.8%).

The **Mining & quarrying** sector rose 6.8 per cent (Q3 2022: 9.2%) supported by all activities, mainly the Natural gas and Crude oil & condensate sub-sectors which increased 7.4 per cent (Q3 2022: 13.6%) and 5.2 per cent (Q3 2022: 2.5%) respectively in this quarter. In terms of seasonally adjusted, this sector dropped 3.7 per cent (Q3 2022: 7.5%).

The **Construction** sector maintained a double-digit growth of 10.1 per cent (Q3 2022: 15.3%) in the fourth quarter of 2022. The performance in this sector was contributed by positive growth in all sub-sectors, particularly in Civil engineering (17.9%) and Non-residential buildings (10.7%). On a quarter-on-quarter seasonally adjusted, the Construction sector decreased 7.3 per cent (Q3 2022: 0.8%). Meanwhile, the **Agriculture** sector slightly grew 1.1 per cent (Q3 2022: 1.2%) in this quarter, induced by a better performance in the Oil palm (9.6%) sub-sector. The Agriculture sector recorded an increase of 1.4 per cent (Q3 2022: 2.5%) on seasonally adjusted terms.

Commenting further on the demand side, the Chief Statistician Malaysia stated that “**Private final consumption or household expenditure**, which contributed 58.2 per cent to GDP, grew 7.4 per cent (Q3 2022: 15.1%) attributed to the higher consumption in Transport (11.7%), Housing, water, electricity, gas & other fuels (10.0%) and Recreation services & culture (42.7%) in the fourth quarter of 2022. On a seasonally adjusted quarter-on-quarter terms, the overall performance of Private final consumption expenditure posted a decrease of 2.9 per cent (Q3 2022: -1.2%)”.

Gross fixed capital formation (GFCF) or investment on fixed assets increased by 8.8 per cent (Q3 2022: 13.1%) in this quarter. The performance of GFCF was contributed by Structure (9.9%), Machinery & equipment (8.6%) and Other assets (3.0%). Based on GFCF by sector, both Public and Private sectors recorded an increase in the fourth quarter of 2022. On a quarter-on-quarter seasonally adjusted, the GFCF registered a marginal increase of 0.3 per cent (Q3 2022: 2.0%).

He also mentioned that “Both **Exports** and **Imports** grew at a moderate pace of 9.6 per cent (Q3 2022: 23.9%) and 8.1 per cent (Q3 2022: 24.4%) respectively, due to slower growth in goods. Therefore, **Net exports** rose by 23.4 per cent as compared to 18.7 per cent in the preceding quarter.”

Government final consumption expenditure moderated by 2.4 per cent (Q3 2022: 4.5%) supported by slower growth in spending on supplies and services. On a quarter-on-quarter seasonally adjusted, Government final consumption expenditure decreased 5.4 per cent (Q3 2022: 4.3%) in this quarter.

Annual GDP performance of 2022

Malaysia's economy expanded by 8.7 per cent in 2022, up from 3.1 per cent the year before. This is the highest annual growth seen in 22 years (2000: 8.9%). The favourable performance was contributed by positive growth in all sectors. The Services sector registered a double-digit growth of 10.9 per cent in 2022, followed by the Manufacturing (8.1%) and Mining & quarrying (3.4%) sectors. Subsequently, the Construction and Agriculture sectors rebounded in 2022 with growth of 5.0 per cent and 0.1 per cent, respectively, after these two sectors registered decline for two consecutive years.

On the demand side, almost all components of GDP expenditure recorded positive growth, especially Private final consumption and Gross fixed capital formation. However, Net exports remain contracted 1.8 per cent (2021: -4.1%) due to the slower growth of Exports than Imports.

In 2022, Malaysia's GDP at current prices amounted to RM1.8 trillion, while it was RM1.5 trillion at constant prices. Hence, the Gross national income per capita surged to RM52,819 from RM46,163 the previous year.

In terms of pre-pandemic performance, the economic level has improved and surpassed the 2019 level with an increase of 5.9 per cent (2021: -2.6%), aided by higher growth in the Services (6.9%) and Manufacturing (15.3%) sectors. However, the Mining & quarrying, Construction and Agriculture sectors were still below the pre-pandemic level. The number of employed persons for these three sectors were 2.8 million persons in 2021. Furthermore, Food & beverage, Accommodation, Real estate, Business services, Private education and Other services activities were still below the pre-pandemic, though the overall Services sector posted above the pre-pandemic level with 6.9 per cent.

Moreover, the inbound travel expenditure in 2022 increased RM27.9 billion from RM0.3 billion in the preceding year. Nevertheless, inbound travel was still below the pre-pandemic level, which was one-third of RM82.1 billion, with tourist arrival accounted for 26.1 million persons. In comparison, outbound travel expenditure increased to RM29.6 billion, more than half of RM51.3 billion recorded in the pre-pandemic level.

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On the demand side, GFCF recorded below the pre-pandemic level which descended 9.4 per cent. However, Private final consumption expenditure, Government final consumption expenditure, Exports and Imports have exceeded the 2019 expenditure.

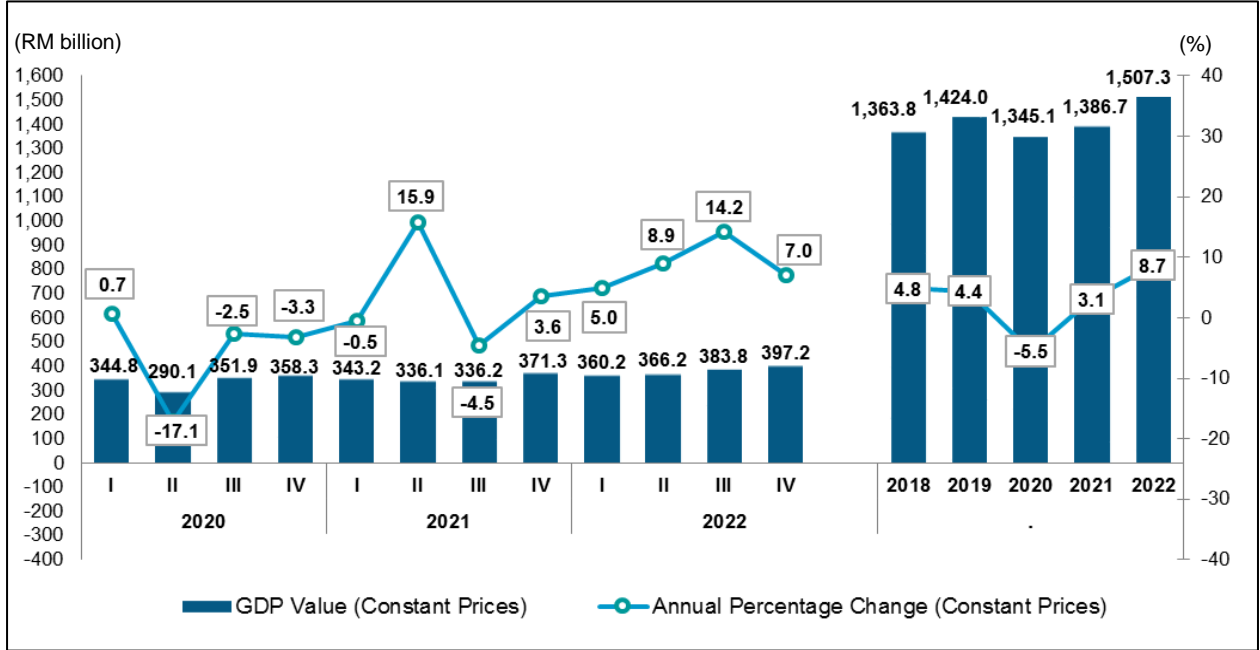
DOSM has launched OpenDOSM NextGen as a platform that catalogues, provides visualization, and facilitates users to analyse various types of data for free. OpenDOSM NextGen is an open source data sharing medium and accessible through <https://open.dosm.gov.my> portal.

Released by:

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS, MALAYSIA
10 FEBRUARY 2023**

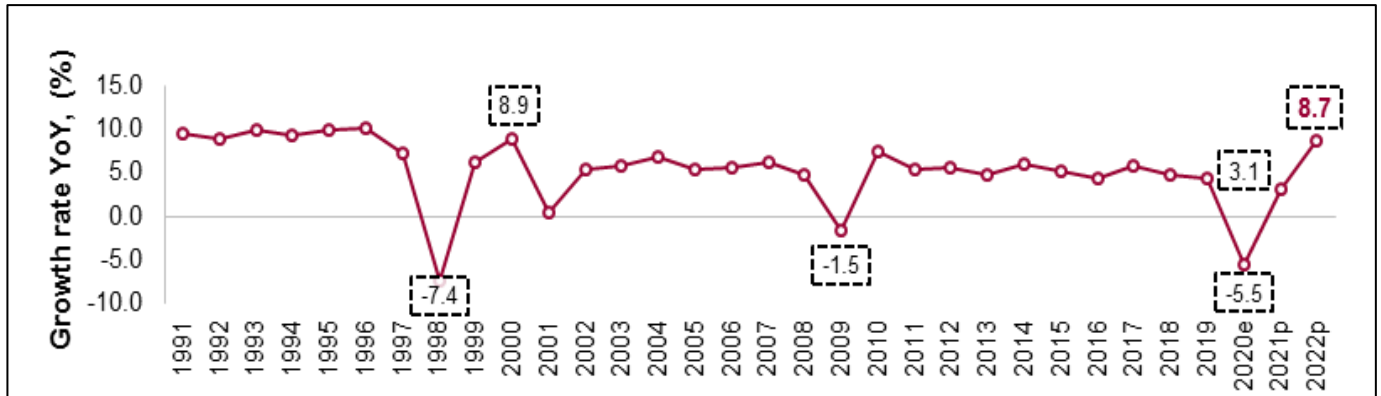
APPENDIX 1

Chart 1: Gross Domestic Product (GDP) at Constant 2015 Prices, Q1 2020 – Q4 2022 and 2018 – 2022



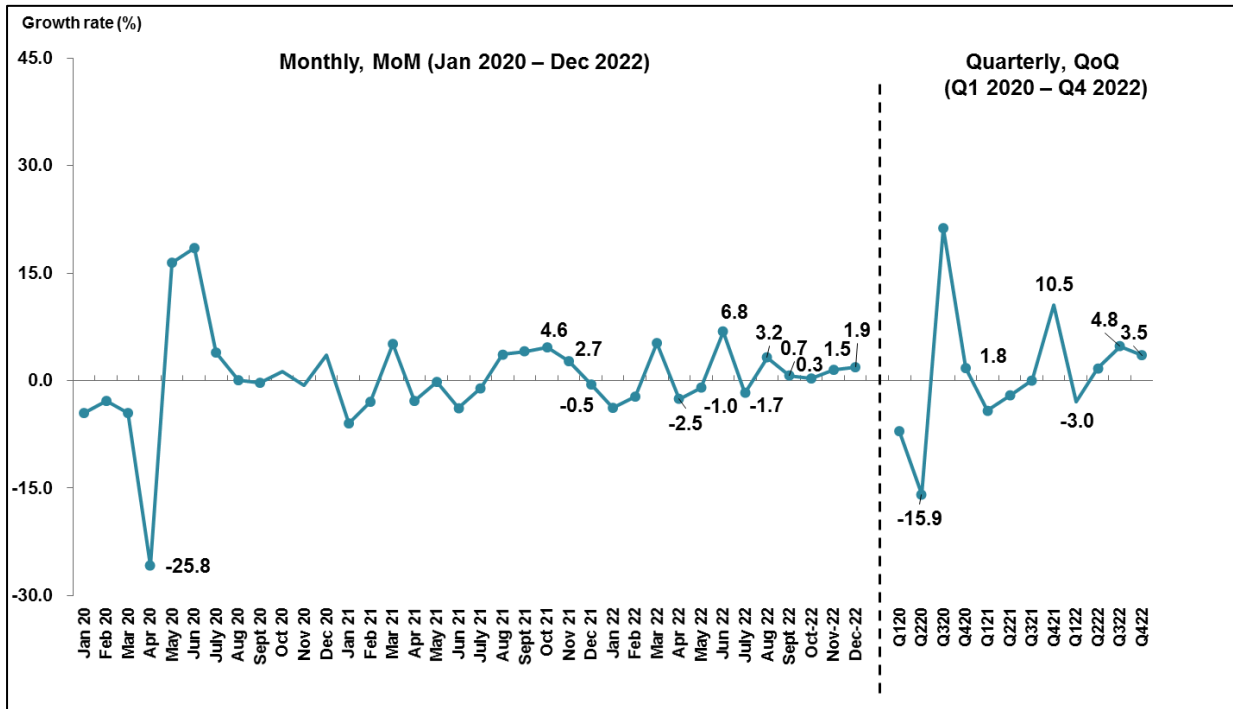
Source: Department of Statistics Malaysia

Chart 2: Annual GDP Growth at Constant 2015 Prices



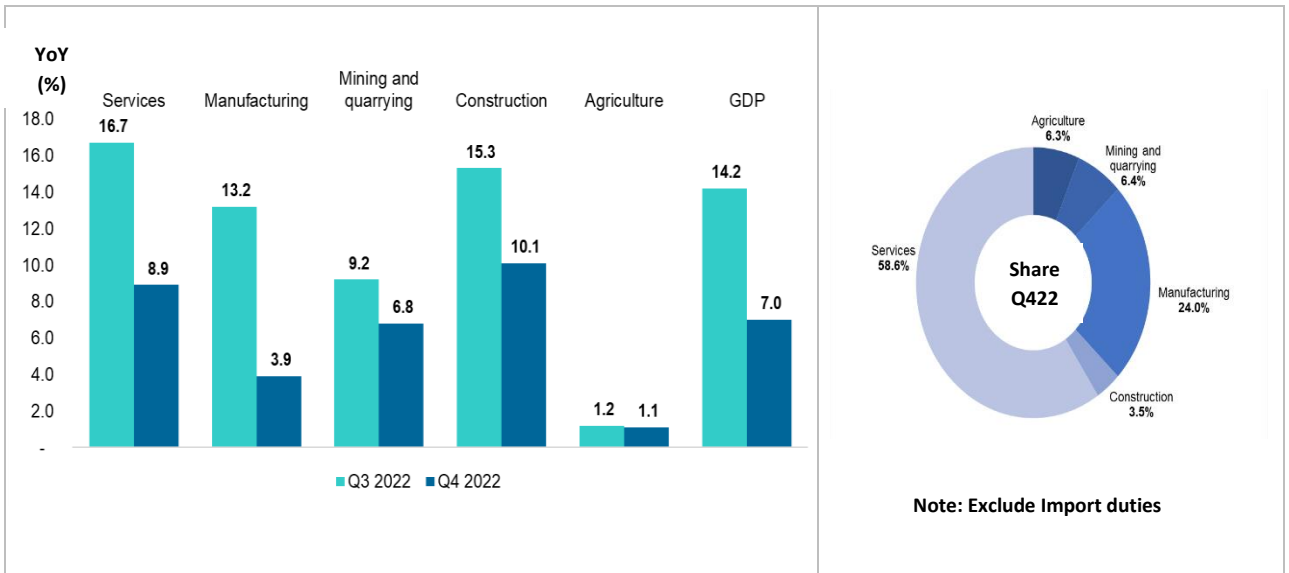
Source: Department of Statistics Malaysia

Chart 3: Monthly and Quarterly GDP Growth at Constant 2015 Prices



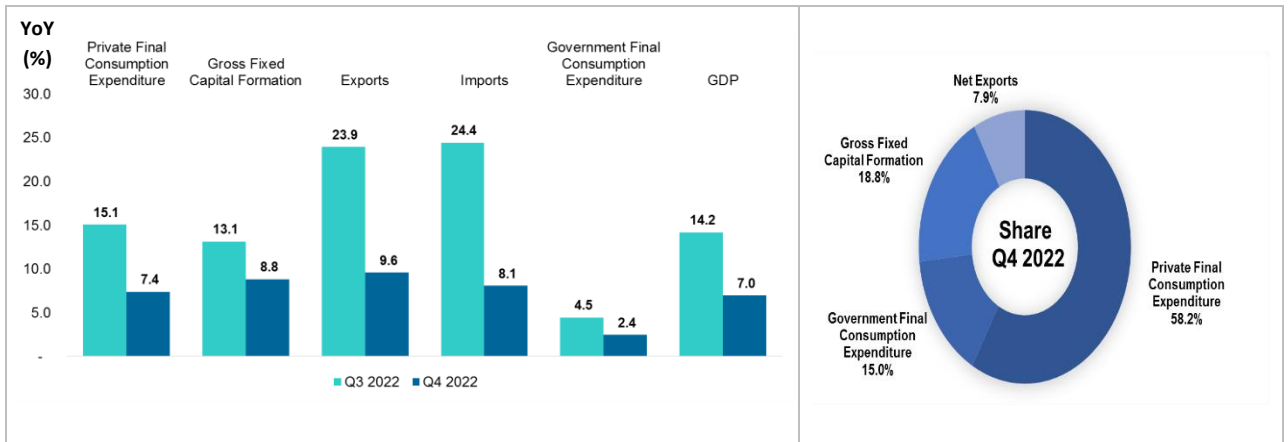
Source: Department of Statistics Malaysia

Chart 4: Quarterly GDP Growth by Kind of Economic Activity, Q3 2022 & Q4 2022



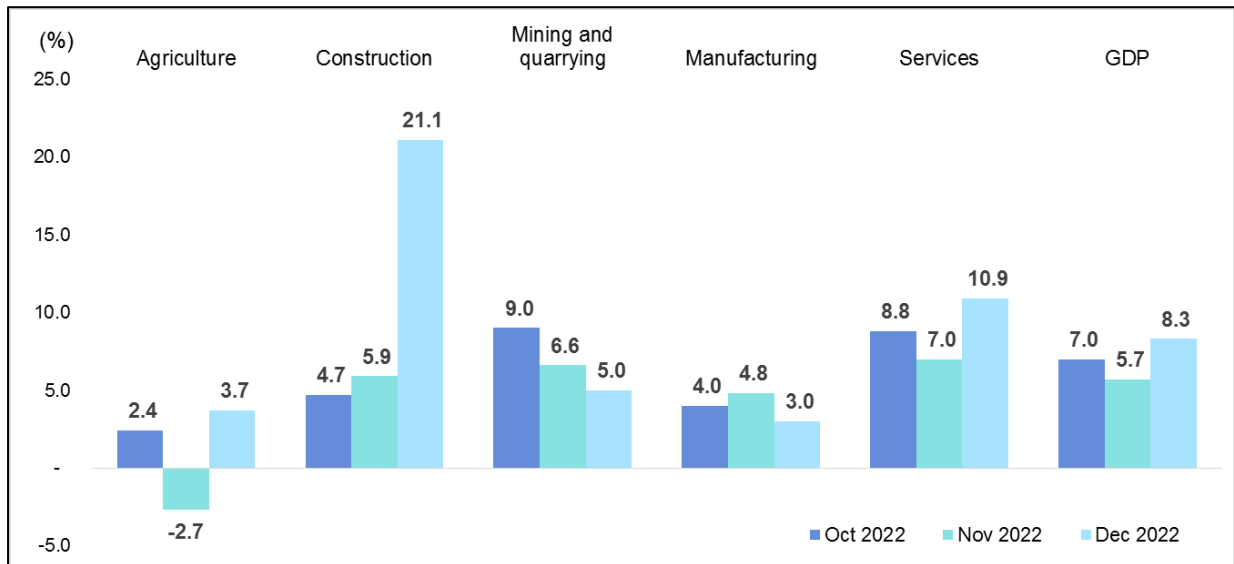
Source: Department of Statistics Malaysia

Chart 5: Quarterly GDP Growth by Type of Expenditure, Q3 2022 & Q4 2022



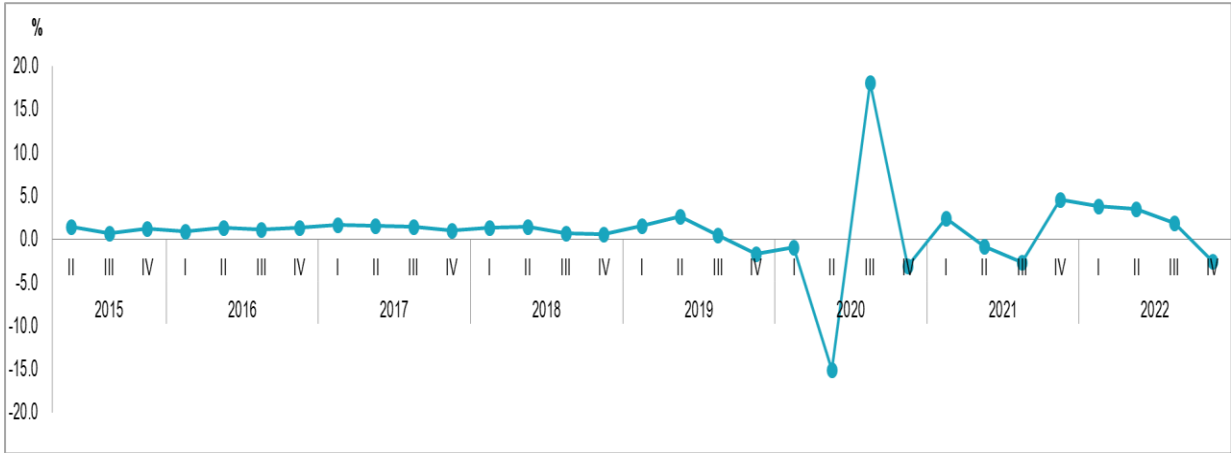
Source: Department of Statistics Malaysia

Chart 6: Monthly GDP Growth by Kind of Economic Activity, Oct. 2022 – Dec. 2022



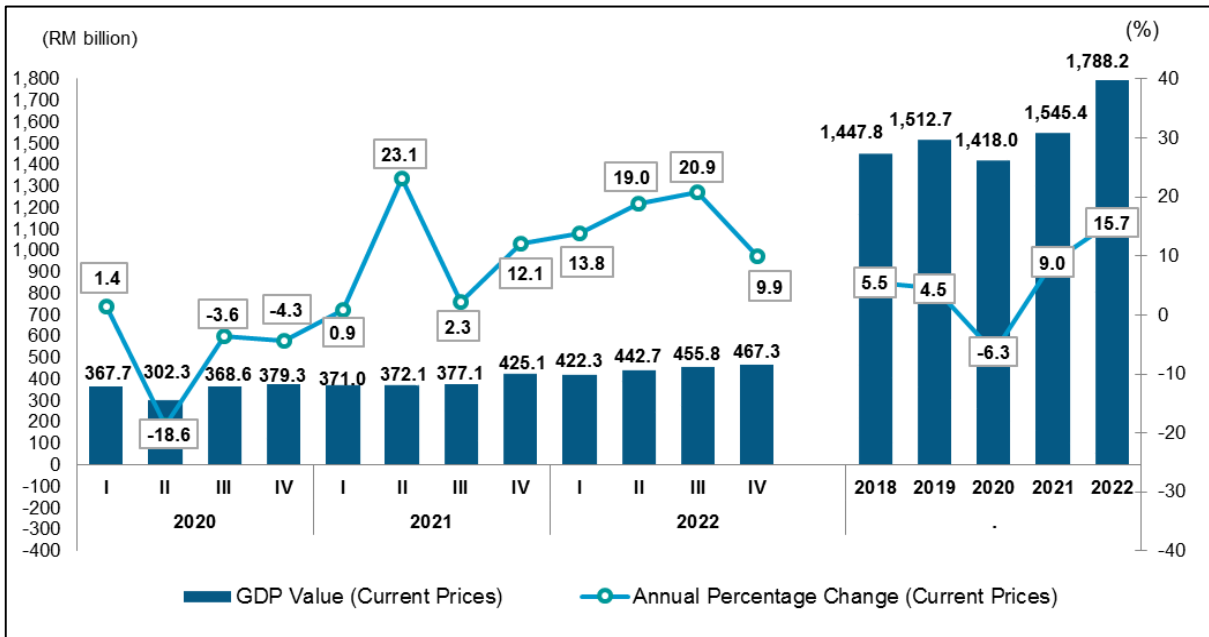
Source: Department of Statistics Malaysia

Chart 7: Seasonally Adjusted GDP (Percentage Change from Preceding Quarter), Q2 2015 – Q4 2022



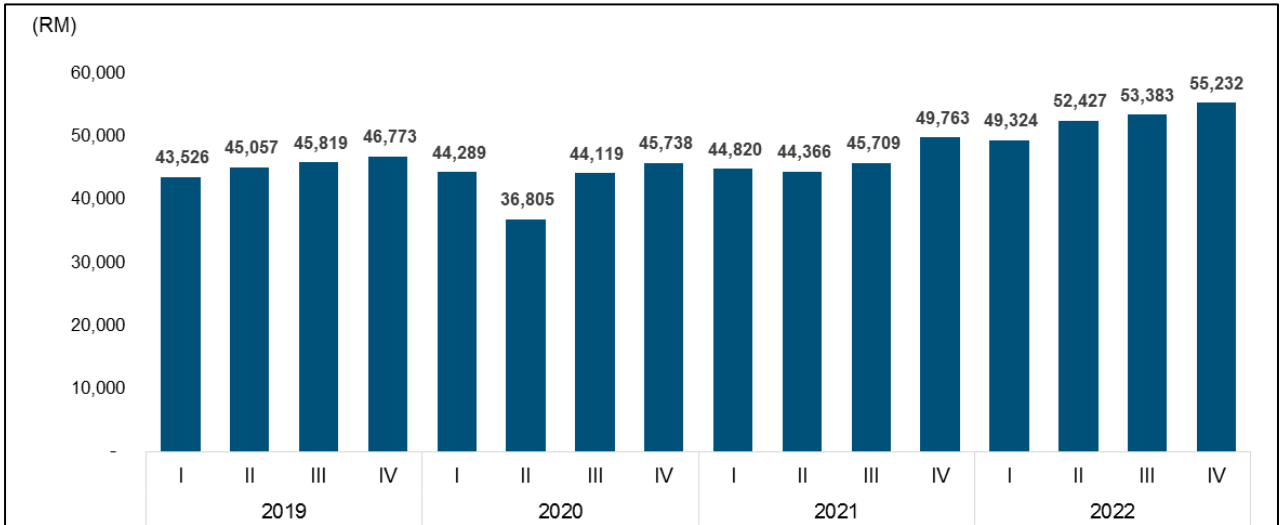
Source: Department of Statistics Malaysia

Chart 8: Nominal Gross Domestic Product (GDP), Q1 2020 – Q4 2022 and 2018 – 2022



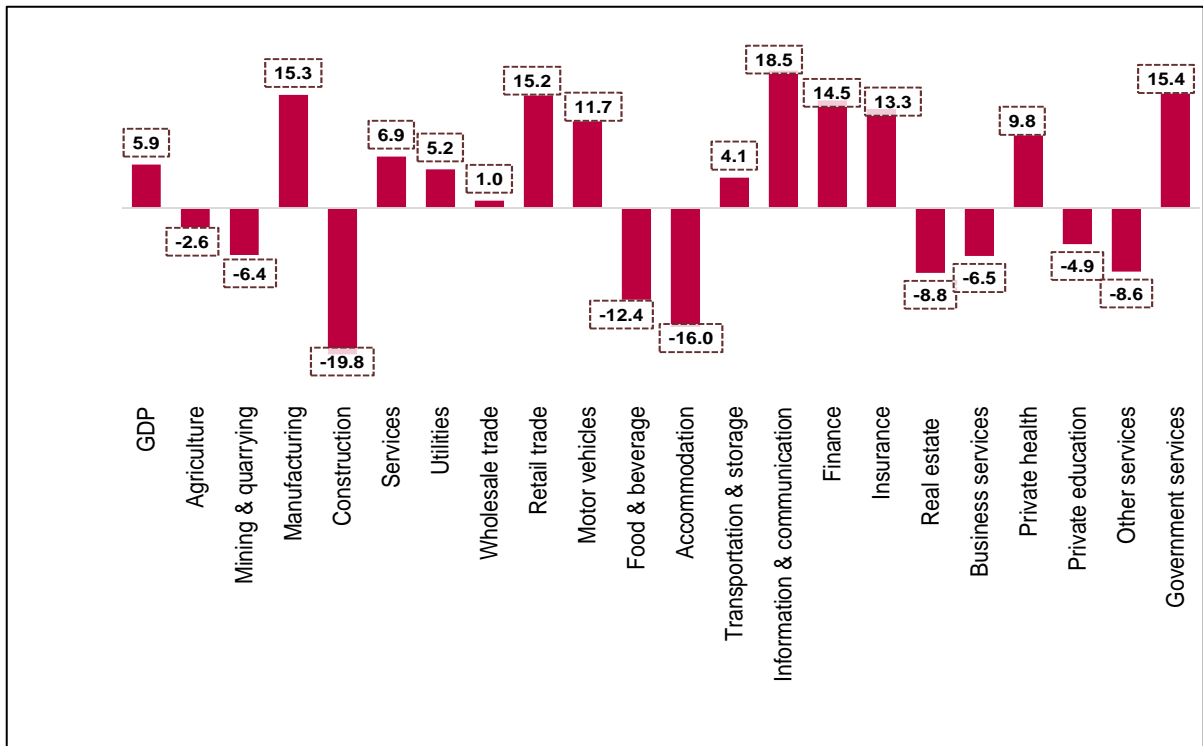
Source: Department of Statistics Malaysia

Chart 9: Gross National Income (GNI) Per Capita, Q1 2019 – Q4 2022



Source: Department of Statistics Malaysia

Chart 10: Pre-pandemic Economic Level Comparison by Production Approach, 2022/2019

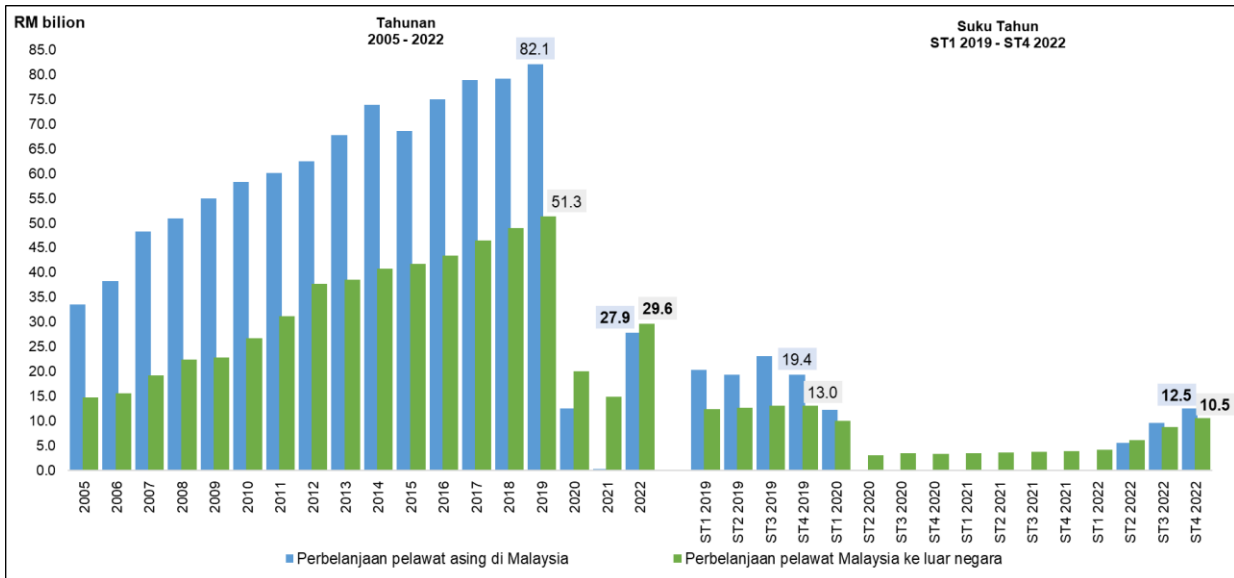


Source: Department of Statistics Malaysia

Chart 11: Pre-pandemic Economic Level Comparison by Expenditure Approach, 2022/2019



Chart 12: Expenditure of Foreign Visitors in Malaysia and Malaysian Visitors Abroad, 2005 – 2022 and Q1 2019 – Q4 2022



Source: Department of Statistics Malaysia